

MINUTES

MONTANA SENATE 56th LEGISLATURE - REGULAR SESSION

COMMITTEE ON FINANCE AND CLAIMS

Call to Order: By **CHAIRMAN CHUCK SWYSGOOD**, on April 9, 1999 at 7:05 A.M., in Room 108 Capitol.

ROLL CALL

Members Present:

Sen. Chuck Swysgood, Chairman (R)
Sen. Tom Keating, Vice Chairman (R)
Sen. Tom A. Beck (R)
Sen. Chris Christiaens (D)
Sen. William Crismore (R)
Sen. Eve Franklin (D)
Sen. Greg Jergeson (D)
Sen. Bob Keenan (R)
Sen. J.D. Lynch (D)
Sen. Dale Mahlum (R)
Sen. Ken Mesaros (R)
Sen. Ken Miller (R)
Sen. Arnie Mohl (R)
Sen. Linda Nelson (D)
Sen. Debbie Shea (D)
Sen. Mike Taylor (R)
Sen. Daryl Toews (R)
Sen. Mignon Waterman (D)

Members Excused: None.

Members Absent: None.

Staff Present: Shannon Gleason, Committee Secretary
Clayton Schenck, Legislative Branch

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing(s) & Date(s) Posted: HB 532, HB 490, HB 621,
HB 622, and HB 72
Executive Action: HB 313, HB 79, HB 11, HB 135,
HB 127, HB 252, HB 501, HB 490, HB 13,

HB 660, HB 621, HB 532, HB 15

HEARING ON HB 532

Sponsor: REP. SHEILL ANDERSON, HD 25, LIVINGSTON

Proponents: Mike Foster, Montana Contractors Association
Ed Maronick, Maronick Construction

Opponents: Gary Gilmore, Department of Transportation

Opening Statement by Sponsor:

REP. ANDERSON explained this bill would require construction contracts to be paid within 30 days upon completion of a project. This bill would allow the department to accept or reject the project within 10 days of notification of completion, and require payment within 30 days of final acceptance. REP. ANDERSON indicated currently the department does not pay promptly and this is designed to eliminate that.

Proponents' Testimony:

Mike Foster, Montana Contractors Association, thought there should be no fiscal impact with the amendments added to the bill.

Mr. Foster explained how the approval process would work.

Mr. Foster felt 30 days was a reasonable time, and resisted the amendments being offered by the department.

Ed Maronick, Maronick Construction, agreed final acceptance was important and commented final acceptance has to be agreed upon by both the department, and the contractor. Mr. Maronick stated the projects were large, and the departments delay in paying had a drastic impact on companies.

Opponents' Testimony:

Gary Gilmore, Department of Transportation, opposed the bill as currently submitted. Mr. Gilmore stated the department deals with lump sum contracts, and this would not work. Mr. Gilmore advised sometimes the contractor caused the delays because of paperwork. Mr. Gilmore felt the Fiscal Note would increase due to the shortened time frames. Mr. Gilmore felt liquidated damages would cause a delay, and cause the department not to meet

the time frame. The amendments **EXHIBIT (fcs77a01)** were passed out.

Questions from Committee Members and Responses:

SEN. KEATING asked if the contractor would pay the subcontractor faster too. **Mr. Foster** advised there was a bill requiring the general contractor to pay the subcontractor within three days after being paid.

SEN. KEATING asked **Mr. Foster** for his opinion on the departments' concern with timing. **Mr. Foster** advised the wording on line 15 stated "unless otherwise provided for by law or the contract", and the department could add requirements to the contract. The department had the option to reject final acceptance for paperwork items and counts.

SEN. KEATING asked if the department could inspect the project within 10 days. **Mr. Foster** advised a punch list containing items needed for approval, was completed prior to the contractor asking for final acceptance.

SEN. WATERMAN asked **Tom O'Connell**, Department of Administration, how the Warm Springs delay would work under this bill. **Mr. O'Connell** advised liquidated damages would be assessed. A portion of the contract would be paid, however there would also be litigation of other portions. **SEN. WATERMAN** commented this bill would work with simple projects, but not complicated one's, and it seemed like the majority of the contracts were complicated. **Mr. O'Connell** advised the bill calls for acceptance of final projects under current statute.

Closing by Sponsor:

REP. ANDERSON felt there was a call for help from the contractors. *{Tape : 1; Side : A; Approx. Time Counter : 7:20}*

HEARING ON HB 490

Sponsor: **REP. SHEILL ANDERSON, HD 25, LIVINGSTON**

Proponents: **SEN. DON HARGROVE, 16, BELGRADE**
Larry Jent, Montana Democratic Party
Angela Fultz, Secretary of State
Joe Kerwin, Secretary of State

Robert Throssell, Montana Association of Clerk and Recorder's.

Opponents: None

Opening Statement by Sponsor:

REP. ANDERSON explained this bill would change the presidential primary date. The new date would be March 10, and be between the California primary and Super Tuesday. This primary would be a regional primary for the Rocky Mountain states. This was an attempt to draw attention to issues important to the region, and bring candidates to the area. The primary was originally intended to run with a school election to reduce the cost, however that would not be possible, and the cost would be \$527,000.00 for the one-time stand alone election.

Proponents' Testimony:

SEN. HARGORVE, SD 16, BELGRADE, stated the plan was to make the primary meaningful, and require candidates address issues important to the Rocky Mountain states. **SEN. HARGROVE** thought it was a good deal and a way to get commitments on mining issues, EPA, wildlife and land management issues.

Larry Jent, Montana Democratic Party, advised this idea came from a task force. The task force would hold debates addressing issues important to the states that would be broadcast to the Rocky Mountain states. **Mr. Jent** felt the Western States Primary was to late to have an impact on the election, and the date change was important to place the Rocky Mountain states in the arena.

Angela Fultz, Secretary of State, stated the Secretary of State supported the election. The election would be at the counties expense. The election costs would be for manning the polls, not voter information.

Joe Kerwin, Secretary of State, requested an amendment to allow for a single ballot for both parties. **Mr. Kerwin** advised the Secretary of State agreed the primary would bring attention to the states.

Robert Throssell, Montana Association of Clerk and Recorder's, rose in support of the single ballot. **{Tape : 1; Side : A; Approx. Time Counter : 7:38}**

Questions from Committee Members and Responses:

SEN. JERGESON asked which candidates have been inattentive to the issues. **SEN. HARGROVE** felt they all have. **SEN. JERGESON** asked **Mr. Jent** the same question. **Mr. Jent** advised he agreed.

SEN. JERGESON felt the regional primary might be developed as a second look primary, running after the other primaries. **Mr. Jent** felt that was too late. After Super Tuesday the delegates were already picked, therefore there would not be enough delegates left to make a difference.

SEN. BECK asked why Arizona had not opted to go with the primary, and what other states were involved. **SEN. HARGROVE** advised Wyoming, Utah, Colorado, and Nevada would be involved in the primary. Idaho felt they could still join, and in Arizona the issue became partizan and was defeated.

Closing by Sponsor:

REP. ANDERSON used the issues New Hampshire has been able to resolve because of the early primary, and felt this worked. Montana was ranked 51st, and **REP. ANDERSON** felt this would cause our issues to be addressed. {Tape : 1; Side : B; Approx. Time Counter : 7:45}

HEARING ON HB 621

Sponsor: **REP. JOHN WITT, HD 89, CARTER**

Proponents: **Peter Blouke,** Department of Commerce
Ted Neuman
John Lawton, City of Great Falls
Tim Ryan, High Plains Development Authority
Terry Pehan, Great Falls Chamber of Commerce

Opponents: None

Opening Statement by Sponsor:

REP. WITT explained this would provide the community selected by **LOCKHEED MARTIN** \$300,000.00 to develop a proposal for the Venture Star program. The bill contained a sunset clause in case Venture Star drug on, or a site in Montana is not selected.

Proponents' Testimony:

Peter Blouke, Department of Commerce, felt Montana had a good chance to win the bid. Venture Star was an important project to Montana because of the number of jobs the project would bring into the state.

Ted Neuman felt it would cost \$2,000,000.00 to draft the proposal for Venture Star. **Mr. Neuman** suggested the tribal governments be added to apply for the grants because one of the sites was on a reservation. The one-to-one matching he thought may be prohibitive because some counties did not have the resources for the match.

John Lawton, City of Great Falls, stated this would have to be a state and local government effort. **Mr. Lawton** advised other bills have passed to entice Venture Star to Montana, and this was needed to allow Montana to be competitive in the bidding process.

Tim Ryan, High Plains Development Authority, felt more money would be needed to complete the proposal. **Mr. Ryan** explained the proposal process.

Terry Pehan, Great Falls Chamber of Commerce, rose in support of the bill.

Questions from Committee Members and Responses: None

Closing by Sponsor:

REP. WITT felt Venture Star was important to bring the state out of last place in jobs and income. The project would provide good jobs, and allow people to stay in the state for employment. {Tape : 1; Side : B; Approx. Time Counter : 7:57}

HEARING ON HB 622

Sponsor: REP. JOHN WITT, HD 89, CARTER

Proponents: **Mary Bryson**, Department of Revenue
Jane Jelinski, Montana Association of Counties
Larry Fasbender, Department of Justice

Opponents: None

Opening Statement by Sponsor:

REP. WITT read **EXHIBIT (fcs77a02)**.

Proponents' Testimony:

Mary Bryson passed out and read **EXHIBIT(fcs77a03)**.

Jane Jelenski, Montana Association of Counties (**MACO**), rose in support of the bill, and stated the counties have a tremendous responsibility, but no authority.

Larry Fastbender, Department of Justice, read **EXHIBIT(fcs77a04)**, a letter from John Stephenson.

Questions from Committee Members and Responses:

SEN. TOEWS asked how long it would take to implement the changes. **Ms. Bryson** advised the department has spent over a year analyzing the process, and felt the ground work had already been done.

SEN. WATERMAN thought there was a new interim system allowing for studies, and it should be used for this committee. **REP. WITT** stated the department felt it should be funded separately because of the size.

SEN. TAYLOR asked why local governments were not at the hearing if they supported the changes. **REP. WITT** advised **MACO** was present, and the counties did not have budgets to allow travel for each bill.

SEN. TAYLOR wanted to know who had established the 13 member committee. **REP. WITT** advised it was originally 16, and the department.

SEN. CHRISTIAENS asked how the local government group was formed and funded for the last year's review. **Ms. Bryson** advised the department contacted the counties and they agreed to participate at no cost. The committee met every-other month. **SEN. CHRISTIAENS** stated only certain members were being reimbursed. **Ms. Bryson** advised the law would allow the members to be reimbursed travel expenses. **SEN. CHRISTIAENS** asked how many ideas had been implemented from the study. **Ms. Bryson** answered a few ideas have been implemented and some others were being heard in Taxation.

SEN. KEATING referred to the charts in exhibit 3, and asked why those could not be implemented now. **Ms. Bryson** advised the groundwork had been laid, however there were several other areas to review.

SEN. MILLER felt the department was capable of creating the ideas for change and presenting them to the next legislature. **Ms. Bryson** felt it was important to involve the counties and other impacted by the changes. {Tape : 2; Side : A; Approx. Time Counter : 8:23}

CHAIRMAN SWYSGOOD disagreed with the structure of the bill. **CHAIRMAN SWYSGOOD** stated the committee was attached to the Department of Administration rather than the Legislative Branch, and the funds could not go directly to the committee. **Ms. Bryson** explained the bill was set-up like it was because of **SB 11**.

Closing by Sponsor:

REP. WITT advised the bill would be amended to comply with statute. Counties, cities, and the Governor supported this proposal.

HEARING ON HB 72

Sponsor: **REP. JOHN MERCER, HD 74, POLSON**

Proponents: **David Senn,** Teachers Retirement System
Verner Bertelsen, Montana Senior Citizens Association (**MSCA**)
Erik Burke, Governor's Office
Alve Thomas, Retired Teacher's Association
Tom Bilodeau, Montana Education Association (**MEA**)
Candace Payne, University Teacher's Union
Glen Leavitt, Montana state University
Dick Crofts, Commissioner of Higher Education
SEN. DEBBIE SHEA, SD 18, BUTTE
SEN. J.D. LYNCH, SD 19, BUTTE

Opponents: None

Opening Statement by Sponsor:

REP. MERCER stated this bill provides a 1 and 1/2% or \$500.00 increase to retired teachers. The benefits were being paid through several sources. **REP. MERCER** felt thousands of people supported the bill. This bill was referred to as the **GABA** bill.

Proponents' Testimony:

Davis Senn, Teachers Retirement Association, read **EXHIBIT (fcs77a05)**.

Verner Bertelson, MSCA, rose in support of the bill.

Erik Burke, Governor's Office, advised the Governor supported the bill, and it was included in the Executive Budget.

Alve Thomas, Montana Retired Teacher's Association, stated this was a fairness issue. The benefits were to be untaxed, and due to a Supreme Court decision the benefits have been taxed. Some recipients are making less now than when they received the benefits originally.

Tom Bilodeau, MEA, passed out **EXHIBIT (fcs77a06)** and supported the bill.

Candice Payne, University Teacher's Union, stated each member had voted a self imposed increase to help pay for the bill.

Glen Leavitt, Montana University System, rose in support of the bill.

Dick Crofts, Commissioner of Higher Education, rose in support of the bill.

Questions from Committee Members and Responses:

SEN. WATERMAN asked why the contingency termination language.

REP. MERCER advised if the earnings kept growing, and the state contributions were not needed they would be stopped. **SEN.**

WATERMAN asked if that would reduce the benefits. **REP. MERCER** advised it would not, that language pertained only to the source.

SEN. MAHLUM asked if teachers received insurance. **Mr. Senn** advised they do not receive insurance. The majority of the recipients paid full premium for their insurance.

Closing by Sponsor:

REP. MERCER closed.

EXECUTIVE ACTION ON HB 72

Motion/Vote: **SEN. LYNCH** moved that **HB 72 BE CONCURRED IN**. Motion carried unanimously.

SEN. HARP was appointed to carry the bill.

The Committee took a break until 9:15.

EXECUTIVE ACTION ON HB 313

Motion: **SEN. FRANKLIN** moved that **HB 313 BE ADOPTED AS AMENDED.**

Motion: **SEN. FRANKLIN** moved that **AMENDMENTS OFFERED BY THE DEPARTMENT BE ADOPTED.**

Discussion:

SEN. LYNCH felt the amendments were very extensive and suggested there be discussion on the bill to see if there was enough support to pass it.

SEN. FRANKLIN felt as the **FAIM** program changed the Legislature should change too. **SEN. FRANKLIN** felt the program gave more flexibility to deal with people remaining on the welfare rolls.

SEN. BECK stated the department had concerns with the bill.

SEN. CHRISTIAENS supported the bill, and stated there was money left in the **TANF** program to implement this. **SEN. CHRISTIAENS** pointed out the people receiving the money would have actual jobs.

CHAIRMAN SWYSGOOD advised he had concerns with the reduced work hours required, and the average support payment was well under the \$200.00 guarantee. **CHAIRMAN SWYSGOOD** felt because of the quarante there would be a cost.

SEN. MAHLUM felt the limit on families being able to participate was discriminatory.

SEN. KEENAN felt this was a step backwards. **SEN. KEENAN** listed CHIP, child care, and other programs developed by this legislature to assist the working poor.

Substitute Motion/Vote: **SEN. KEENAN** made a substitute motion that **HB 313 BE TABLED. Substitute motion carried 10-8 with**

Christiaens, Mesaros, Franklin, Jergeson, Nelson, Shea, Lynch and Waterman voting no.

EXECUTIVE ACTION ON HB 79

Motion: SEN. TAYLOR moved that HB 79 BE ADOPTED.

Motion: SEN. CHRISTIAENS moved that AMENDMENT HB007901.ADB
EXHIBIT(fcs77a07) BE ADOPTED.

Discussion:

SEN. TAYLOR resisted the amendment, and explained the subcommittee had spent months working out this plan. SEN. TAYLOR stated the money belonged to the employees, not the state.

SEN. TOEWS agreed with the amendment, and felt retirement should be an incentive to stay with an employer.

SEN. CHRISTIAENS stated the bill was amended on the House floor, not by the subcommittee. The Department of Administration had requested the amendment because they were concerned that the other state retirement plans would have to be modified. The department felt it would become an issue of fairness if one plan was vested sooner than the other.

Vote: Motion failed 9-9 with Christiaens, Swysgood, Crismore, Mohl, Franklin, Jergeson, Toews, Nelson, and Waterman voting aye.

Motion: SEN. KEATING moved that AMENDMENT HB007924.ASH
EXHIBIT(fcs77a08) BE ADOPTED.

Discussion:

CHAIRMAN SWYSGOOD explained the amendment. CHAIRMAN SWYSGOOD felt the money should be taken out of the fund, not the General Fund.

Vote: Motion carried unanimously.

Motion/Vote: SEN. TAYLOR moved that AMENDMENT HB007923.ASH BE ADOPTED. Motion carried unanimously.

Motion: SEN. BECK moved that AMENDMENT TO STRIKE THE LOAN SECTION FROM THE BILL BE ADOPTED. HB007926.ash
EXHIBIT(fcs77a09).

Discussion:

SEN. BECK explained was concerned that lower paid employees would borrow this money.

SEN. CHRISTIAENS agreed, and commented as a former finance manager he felt the people may be pressured to borrow the funds.

SEN. KEATING felt people should be responsible to live within their means.

SEN. LYNCH used Social Security as an example of people not living within their means.

Vote: Motion carried 15-3 with Keating, Taylor, and Miller voting no.

Motion/Vote: **SEN. TAYLOR** moved that **HB 79 BE CONCURRED IN AS AMENDED**. Motion failed 8-10 with Swysgood, Beck, Mesaros, Miller, Taylor, Mahlum, Keenan, and Keating, voting aye.

Motion/Vote: **SEN. TAYLOR** moved that **HB 79 BE TABLED**. Motion carried 10-8 with Beck, Swysgood, Mesaros, Miller, Taylor, Mahlum, Keenan, and Keating voting no.
{Tape : 2; Side : B; Approx. Time Counter : 0}

EXECUTIVE ACTION ON HB 11

Motion/Vote: **SEN. KEATING** moved that **AMENDMENT HB001101.ACC BE ADOPTED**. Motion carried 16-2 with Franklin and Miller voting no.

Motion/Vote: **SEN. LYNCH** moved that **HB 11 BE CONCURRED IN AS AMENDED**. Motion carried 17-1 with Miller voting no.{Tape : 2; Side : B; Approx. Time Counter : 9:50}

SEN. LYNCH was assigned to carry the bill.

EXECUTIVE ACTION ON HB 135

Motion/Vote: **SEN. LYNCH** moved that **HB 135 BE CONCURRED IN**. Motion carried unanimously.

CHAIRMAN SWYSGOOD stated he would carry the bill.

EXECUTIVE ACTION ON HB 127

Motion: SEN. LYNCH moved that AMENDMENT HB012701.ACS
EXHIBIT(fcs77a10) BE ADOPTED.

Discussion:

Mary Ann Wellbank, Department of Public Health and Human Services, explained the amendment was the Full Faith and Credit Act.

Vote: Motion carried unanimously.

Motion: SEN. LYNCH moved that AMENDMENT HB012701.ATP
EXHIBIT(fcs77a11) BE ADOPTED.

Discussion:

Ms. Wellbank advised the amendment gave the department authority to add another child of the same relationship to an existing order.

CHAIRMAN SWYSGOOD was concerned that a child could be added that did not belong on the order. **Ms. Wellbank** assured the committee that would not happen.

SEN. TOEWS felt it did not matter if the person paid more, someone should be paying.

There was several comments made about the order, who was paying, and how much.

Amy Fifer, Child Support Enforcement Division explained how the amendment would work.

SEN. WATERMAN questioned the calculations by the department. **Ms. Fifer** stated when separate orders were issued the parent could be charged a higher amount because the orders do not take each other into account. **SEN. WATERMAN** felt this was so complex that the entire system needed to be fixed.

Vote: Motion carried 11-7 with Swysgood, Crismore, Mohl, Lynch, Toews, Mahlum, and Waterman voting no.

Motion: SEN. KEATING moved that **AMENDMENT HB012703.ACS EXHIBIT**(fcs77a12) BE ADOPTED.

Discussion:

Ms. Wellbank stated this was not the \$7.00 fee charged to parents. The amendment corrected the deletion of fees charged by other departments.

SEN. FRANKLIN wanted an example of the fee. **Ms. Wellbank** explained the department to department process, and assured the \$7.00 fee was not involved.

Motion/Vote: SEN. LYNCH moved that HB 127 BE CONCURRED IN AS AMENDED. Motion carried 15-3 with Swysgood, Miller, and Toews voting no.

EXECUTIVE ACTION ON HB 252

Motion/Vote: SEN. KEATING moved that HB 252 BE TABLED. Motion carried 13-5 with Christiaens, Waterman, Franklin, Jergeson, and Nelson voting no. {Tape : 2; Side : B; Approx. Time Counter :10:10}

EXECUTIVE ACTION ON HB 501

Motion: SEN. TAYLOR moved HB 501 BE PULLED FROM THE TABLE.

Vote: Motion carried 11-7 with Christiaens, Nelson, Toews, Shea, Lynch, Waterman, and Jergeson voting no.

Motion: SEN. TAYLOR moved that **AMENDMENT HB050101.ACS EXHIBIT**(fcs77a13) BE ADOPTED.

Discussion:

Clayton Schenck, Legislative Fiscal Analyst, explained the amendment.

SEN. WATERMAN was concerned with the timing. **Mr. Schenck** explained agencies must provide information 22 months in advance of the elimination date. The audits must be completed six months prior to the elimination date, and a report drafted and provided to the Legislature. **SEN. WATERMAN** stated agencies would have to provide the information by 9/1/99. **SEN. WATERMAN** asked what the

10/1/2000 date was. **Mr. Schenck** explained the report would be required by 1/1/2000, and if the audit was not completed by then there would have to be legislation submitted to continue the programs.

CHAIRMAN SWYSGOOD stated if the effective date was changed it would work. **SEN. WATERMAN** felt no matter what the date was it would not work.

SEN. TAYLOR supported the amendment, and felt this was a good compromise to make the bill work.

CHAIRMAN SWYSGOOD advised the amendment would be amendment to change the date to 7/1/2003.

SEN. MILLER wanted the effective date segregated.

The committee agreed and voted on the original amendment.

Vote: Motion carried 13-5 with Franklin, Lynch, Shea, Jergeson, and Christiaens voting no.

Motion: **SEN. TAYLOR** moved that **A CONCEPTUAL AMENEMENT TO CHANGE THE DATE BE ADOPTED.**

Discussion:

Mr. Schenck clarified the dates would all be moved by one biennium.

SEN. TAYLOR asked why the date changes. **CHAIRMAN SWYSGOOD** stated it would take time for the audits to be completed. **SEN. TAYLOR** pointed out this did not eliminate the programs.

SEN. WATERMAN was still concerned with the dates. **SEN. WATERMAN** stated changing the dates does not do anything except delay implementation so the next legislature has to deal with this.

Vote: Motion carried 10-8 with Franklin, Jergeson, Toews, Nelson, Miller, Taylor, Waterman, and Keating voting no.

Motion: **SEN. TAYLOR** moved that **HB 501 BE CONCURRED IN AS AMENDED.**

Discussion:

SEN. JERGESON stated this had been tried before on Occupational and Licensing Board and it did not work. **SEN. JERGESON** felt this would be too time consuming and expensive.

SEN. MAHLUM felt this would increase productivity within the departments.

SEN. MILLER stated because one program failed in the 70's that did not mean something should not be tried. **SEN. MILLER** explained he had checked with the Legislative Auditor's Office and they felt they could handle the reviews.

SEN. LYNCH stated the base budget had a reduction by 15% with the bill from **REP. MCCANN**, and this was not needed.

SEN. WATERMAN reminded the committee how many people were at the hearing asking to be eliminated.

SEN. NELSON felt the Fiscal Note was grossly understated, and this would be far more expensive than indicated.

SEN. CHRISTIAENS asked **Jane Hamman**, Budget Office, her opinion. **Ms. Hamman** felt the agencies would not be written into the base budget because of law, and she agreed it would be expensive.

SEN. TAYLOR stated programs were not reviewed once they were established, and some needed to be reviewed for effectiveness. *{Tape : 3; Side : a; Approx. Time Counter :00}*

Motion/VOTE: **SEN. TAYLOR** moved that **HB 501 BE CONCURRED IN AS AMENDED**. Motion failed 8-10 with Swysgood, Crismore, Mesaros, Mohl, Miller, Taylor, Mahlum, and Keenan voting aye.

Motion/Vote: **SEN. LYNCH** moved that **HB 501 BE TABLED**. Motion carried 10-8 with Swysgood, Crismore, Mesaros, Mohl, Miller, Taylor, Mahlum, and Keenan voting no.

EXECUTIVE ACTION ON HB 621

Motion: **SEN. LYNCH** moved that **HB 621 BE CONCURRED IN**.

Motion/Vote: **SEN. JERGESON** moved that **A CONCEPTUAL AMENDMENT THAT THE FUNDING FALL UNDER HB 260 BE ADOPTED**. Motion carried 16-2 with Franklin and Miller voting no.

Motion/Vote: **SEN. JERGESON** moved that **HB 621 BE CONCURRED IN AS AMENDED**. Motion carried unanimously.

SEN. MESAROS was assigned to carry the bill.

EXECUTIVE ACTION ON HB 532

Motion: SEN. MOHL moved that HB 532 BE CONCURRED IN.

Motion/Vote: SEN. MAHLUM moved that AMENDMENT HB053201.apj, CHANGING THE DATES BE ADOPTED. Motion failed 5-13 with Christiaens, Beck, Jergeson, Mahlum, and Waterman voting aye.

SEN. MOHL resisted the amendment, and stated the department can pay contractors upon completion. SEN. MOHL advised the department owed him money and has for over a year, and he felt the department delays payment for no reason.

Vote: Motion that HB 532 BE CONCURRED IN carried unanimously.

SEN. MOHL was selected to carry the bill. {Tape : 3; Side : A; Approx. Time Counter : 11:02}

EXECUTIVE ACTION ON HB 622

Motion: SEN. KEATING moved that HB 622 BE CONCURRED IN.

Motion: SEN. KEATING moved that AMENDMENT HB062201.AJM EXHIBIT(fcs77a14) BE ADOPTED.

Discussion:

SEN. SHEA thought there were other amendments. CHAIRMAN SWYSGOOD stated the amendment was to correct his concerns raised earlier in the hearing. Those amendments would not be needed if the committee adopted HB062201.AJM

SEN. WATERMAN agreed, and felt the interim committees could set up a study committee.

SEN. NELSON asked if the bill was needed for authorization. CHAIRMAN SWYSGOOD stated it was.

Vote: Motion carried unanimously.

Motion/Vote: SEN. KEATING moved that HB 622 BE CONCURRED IN. Motion carried unanimously.

SEN. KEATING was appointed to carry the bill.

The committee took a break until 2:55

EXECUTIVE ACTION ON HB 15

Motion: SEN. MOHL moved that HB 15 BE CONCURRED IN.

Motion: SEN. JERGESON moved that AMENDMENT HB001502.APJ
EXHIBIT(fcs77a15) BE ADOPTED.

Discussion:

SEN. JERGESON explained the amendment, and commented he was nervous bonding technology.

CHAIRMAN SWYSGOOD resisted the amendment. The amendment would have a General Fund impact, and it was not the first time technology was bonded.

SEN. JERGESON realized it had a General Fund impact. SEN. JERGESON felt the Fiscal Note was overstated, and this was a matter of pay now or later.

Vote: Motion failed 7-11 with Christiaens, Franklin, Waterman, Jergeson, Lynch, Shea, and Nelson voting aye.

Motion: SEN. JERGESON moved that AMENDMENT HB001503.APJ
EXHIBIT(fcs77a16) BE ADOPTED.

Discussion:

SEN. JERGESON explained the amendment was to bond technology in the university system.

SEN. BECK asked if this was reviewed by Long Range Planning.

SEN. JERGESON answered no. SEN. BECK stated he would not support the amendment.

SEN. KEATING asked why a project for the university system was in a bill intended for the Department of Revenue.

SEN. TOEWS advised it would not have the same impact on all university systems.

SEN. JERGESON realized the BANNER system was controversial, but felt the students needed relief.

Vote: Motion failed 7-11 with Christiaens, Franklin, Jergeson, Lynch, Shea, Mahlum, and Waterman voting aye.

SEN. LYNCH felt it was dumb to go to India for a system instead of supporting American made items.

Vote: Motion that HB 15 BE CONCURRED IN carried 11-7 with Christiaens, Franklin, Jergeson, Lynch, Nelson, Shea, and Waterman voting no.

CHAIRMAN SWYSGOOD stated he would carry the bill.

EXECUTIVE ACTION ON HB 490

Motion: SEN. SHEA moved that HB 490 BE CONCURRED IN.

Motion/Vote: SEN. CRISMORE moved that AMENDMENT HB049005.AND EXHIBIT(fcs77a17) BE ADOPTED. Motion carried unanimously.

Discussion:

CHAIRMAN SWYSGOOD felt this was a lot of money for one election, and was unsure how much impact the primary would bring. **CHAIRMAN SWYSGOOD** felt Section 9, the appropriation section, should be struck. This would allow the bill to proceed but if there was no ending fund balance the election would not take place.

SEN. WATERMAN thought the projected cost for fee increases under CI-75 was \$23,000.00, and wanted to know this was so much higher. **SEN. JERGESON** thought that cost was to produce the voter information packets. **SEN. CRISMORE** stated this was a separate election.{Tape : 3; Side : B; Approx. Time Counter : 0}

Motion: SEN. MOHL moved that CONCEPTUAL AMENDMENT TO STRIKE SECTION 9. BE ADOPTED.

Discussion:

SEN. BECK felt if the section was struck it would become an unfunded mandate.

Substitute Motion/Vote: SEN. WATERMAN made a substitute motion that HB 490 BE TABLED. Substitute motion carried 13-5 with Mesaros, Lynch, Shea, Mahlum, and Keating voting no.

EXECUTIVE ACTION ON HB 13

Motion: SEN. KEATING moved that HB 13 BE ADOPTED.

Motion: SEN. LYNCH moved that AMENDMENT HB001315.ATP
EXHIBIT(fcs77a18) BE ADOPTED.

Discussion:

Taryn Purdy, Legislative Staff, explained the amendment.

Vote: Motion carried unanimously.

Motion/Vote: SEN. BECK moved that AMENDMENT HB001313.ATP
EXHIBIT(fcs77a19) BE ADOPTED. Motion carried unanimously.

Motion: SEN. LYNCH moved that AMENDMENT HB001305.AGD
EXHIBIT(fcs77a20) BE ADOPTED.

Discussion:

{Tape : 3; Side : B; Approx. Time Counter : 3:25}

SEN. WATERMAN felt the language on page nine, number eight, allowed the department to hire for more money, and the amendment was not needed. John McEwen, State Personal Division, explained the amendment was to establish Legislative intent. SEN. WATERMAN did not feel this was needed. Mr. McEwen advised lines seven through ten did allow the department to do what is needed, however the department wanted Legislative intent.

SEN. TOEWS advised several departments had the same problem. SEN. CHRISTIAENS agreed.

Vote: Motion failed 9-9 with Christiaens, Franklin, Jergeson, Lynch, Toews, Nelson, Miller, Shea, and Waterman voting no.

Motion: SEN. BECK moved that AMENDMENT HB001314.ATP
EXHIBIT(fcs77a21) BE ADOPTED.

Discussion:

SEN. MILLER asked what the amount was. Mr. McEwan advised it would be two grades. SEN. MILLER stated he could agree with the increase if the people in Montana had an 18% increase.

SEN. KEATING asked if there was a statute that did not allow a returning Legislator the pay increase until he was re-elected. No one was sure.

SEN. FRANKLIN pointed out it has hard to get good people to run for office because the pay was so low, and several people lost money during the session.

CHAIRMAN SWYSGOOD stated there was a lot of time Legislators did not get reimbursed. This increase would be \$10.00 per day, and there had been no increase for 14 years.

Vote: Motion **carried 14-4 with Keating, Mahlum, Miller, and Keenan voting no.**

Motion: **SEN. BECK** moved that **CONCEPTUAL AMENDMENT THAT ALLOWS TERM LIMITED LEGISLATORS BE COVERED UNDER HEALTH CARE FOR 36 MONTHS. BE ADOPTED.**

Discussion:

SEN. WATERMAN thought that was possible now.

SEN. BECK stated he was trying to bring this in line with other rifted employees.

SEN. NELSON asked if this would apply to all term-limited Legislators. **SEN. BECK** advised it would.

SEN. FRANKLIN felt the time should be 18 months, the same as other rifted employees. **SEN. BECK** agreed.

SEN. CHRISTIAENS commented if the Legislator was not retiring they could not stay on the state plan, and the amendment made sense.

There was a lengthy discussion between the committee about the benefits Legislators would have upon being termed out.

SEN. WATERMAN advised the state hospital would receive insurance for three years. The committee decided to leave the time at three years.

Vote: Motion **carried 10-8 with Crismore, Jergeson, Toews, Nelson, Miller, Waterman, Keenan, and Keating voting no.**

Motion/Vote: **SEN. CHRISTIAENS** moved that **HB 13 BE CONCURRED IN AS AMENDED. Motion carried 16-2 with Keating and Miller voting no.**

SEN. MAHLUM was appointed to carry the bill on the floor.

EXECUTIVE ACTION ON HB 660

CHAIRMAN SWYSGOOD advised he brought the bill back for amendments. **SEN. BECK** explained the rifted employees were allowed to purchase three years of insurance.

The amendment was not completed and after a lengthy discussion it was decided to add the amendment on the Senate floor. *{Tape : 4; Side : A; Approx. Time Counter : 3:45}*

EXECUTIVE ACTION ON HB 79

Motion/Vote: **SEN. KEATING** moved **TO RECONSIDER ACTION ON HB 79**. Motion carried 11-7 with Christiaens, Franklin, Lynch, Toews, Nelson, Shea, and Waterman voting no.

Motion: **SEN. KEATING** moved that **OFFERED THE AMENDMENT TO CHANGE THE VESTING FROM THREE TO FIVE YEARS. BE ADOPTED.**

Vote: Motion carried 13-5 with Mesaros, Franklin, Lynch, Miller, and Shea voting no.

Motion/Vote: **SEN. KEATING** moved that **HB 79 BE CONCURRED IN AS AMENDED**. Motion carried 14-4 with Franklin, Lynch, Shea, and Waterman voting no.

SEN. TAYLOR was assigned to carry the bill.

ADJOURNMENT

Adjournment: 4:03 P.M.

SEN. CHUCK SWYSGOOD, Chairman

SHANNON GLEASON, Secretary

CS/SG

EXHIBIT (fcs77aad)